



NEWARK PUBLIC INFORMATION OFFICE

CITY HALL, ROOM 208, NEWARK, NEW JERSEY 07102 - 733-8004

FOR IMMEDIATE RELEASE:
Monday, July 23, 1979

CONTACT:
Bernard Moore, 733-3687 or
Lawrence Parsons, 733-6429

WORK BEGINS ON \$70 MILLION NEWARK SOLID WASTE PLANT

After more than two years of litigation brought by an Essex county agency challenging the State of New Jersey's licensing procedures, work has begun on a \$70 million solid waste recycling plant in Newark's East Ward. The plant, which is being built on a site bounded by Raymond Boulevard, Blanchard Street, and the Passaic River will convert solid refuse into fuel and other useable products, while also providing revenue for the city through taxes and fees.

Newark had signed a contract with Combustion Equipment Associates, Inc. (CEA), of New York to dispose of The City's approximately 500 tons of solid waste per day for 20 years. Under the contract, CEA would absorb all construction costs, but the city would pay \$3.99 per ton of refuse dumped at the plant. In return, Newark would receive percentage of the plant's revenues.

Construction was delayed, however, when the Essex County Improvement Authority brought legal action challenging the power of the state, rather than the county, to grant CEA a permanent license to build and operate the facility.

The Appellate Division of Superior Court recently ruled in favor of the state, but ECIA has said it may appeal to the N.J. Supreme Court. City officials are confident, however, that the state will be upheld again.

"Essex County has only indicated that they may appeal," said Frank Sudol, environmental specialist in the Newark Engineering Department. "The worst that could happen if the decision is reversed is that the city's contract with CEA will be voided and CEA would be free to contract with other municipalities."

The plant will provide some 500 construction jobs over a 20 to 30-month period and about 100 permanent positions when the facility is operating at full capacity. In addition to the property and payroll taxes Newark will receive from the plant, the city will get 50 cents for each ton of waste dumped at CEA by other municipalities.

When the plant is completed and operating fully, it will process some 3,000 tons of solid waste per day. Sudol estimates this could bring in \$1,200 a day for Newark from the 2,500 tons of refuse processed for other cities.

The city will also receive 25 per cent of CEA's revenues from a powdered fuel product the plant will produce under a contract with Public Service Electric and Gas Co. for its Bergen generating station.

Newark hopes that when the plant opens in two years, it will attract manufacturers to the city to take advantage of the products recycled by the facility.

Several years ago, as the Northeast's landfill space was dwindling, Newark foresaw the need for alternate means of disposal. In September 1976, the city received proposals and CEA's was chosen because it was economical and would produce fuel and other products, Sudol said.

"The CEA plant will not only solve disposal problems, but it will also create jobs while giving you a certain amount of energy," added Sudol. "And it's much more environmentally sound than landfilling."

Newark's worst fears have come true, however, with the Hackensack Meadowlands Development Commission (HMDC) threatening to close its landfills by September of this year. This would force Newark, along with many other municipalities to dump garbage elsewhere.

"Newark will be in the situation where our facility might not be finished and the landfills will be closed," said Sudol. "Then we'll have to truck our waste up to Morris County or down to Middlesex County. This will dramatically increase our costs."